GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1754
ANSWERED ON:10.03.2017
Bilateral Investment Treaty
Kharge Shri Mallikarjun

Will the Minister of FINANCE be pleased to state:

a) whether the Government has approved new Bilateral Investment treaty (BIT) framework, if so, the details thereof;

b) the details of perceived benefits of the new framework and the problems with the old framework;

c) whether the Government has intimated other countries about the intention to terminate the existing BITs and negotiate new ones on the basis of the approved model, if so, the details thereof;

d) whether some countries have expressed concerns over certain provisions in the new model, if so, the details thereof; and

e) the steps taken by the Government to address the concerns of other countries over the new framework?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE

a) Yes, Sir. India's new Model Bilateral Investment Treaty (BIT) text received Cabinet approval on 16th December, 2015. The full text of the new Model BIT text can be seen at http://dea.gov.in/sites/default/files/modelBIT_Annex_0.pdf

b) The earlier BITs contained many provisions which can be subjected to broad and ambiguous interpretations. The new Model BIT text balances the investor's rights and obligations and is likely to reduce the possibility of broad interpretation in the context of any investment disputes under the treaty.

c) Based on the Cabinet decision, India has sent termination and/or renegotiation notices to 58 countries.

d) & (e) Approach to investment treaties/agreements differs from country to country and attempts are made to reach mutually agreed position during the negotiations.

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